

23.8.13.2
12-18-06



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue
Seattle, WA 98101

18 DEC 2006

Reply to
Attn Of: ORC-158

Joe Martinac, Jr.
J.M. Martinac Shipbuilding Corp.
401 East 15th St.
Tacoma, WA 98421

Re: *United States v. Atlantic Richfield Company, et al.*, CO3-5117 RJB, W.D. of Washington; Consent Decree entered May 9, 2003 ("Consent Decree")

Dear Mr. Martinac:

You are being sent this letter because J.M. Martinac Shipbuilding is listed on Appendix F to the above-titled Consent Decree as an Owner Settling Defendant.

This letter will serve to inform you of two things. First, that the remedial action construction in the Thea Foss Waterway has been completed. The remedial action included containment of contaminated sediments, the placement of a clean cap, and certain habitat mitigation projects. In order to protect the integrity of this remedy, the Consent Decree requires that Institutional Controls be implemented, including certain land use and water use restrictions. To that end, Settling Defendants who own or control property located along the shoreline of the Thea Foss or Wheeler-Osgood Waterways are required to execute and record a restrictive covenant that provides for such restrictions on each property upon request by the United States Environmental Protection Agency ("EPA").

Second, in accordance with the terms of Section IX ("Access and Institutional Controls"), Paragraph 25.c., of the Consent Decree, EPA hereby formally requests that you

execute and record with the Auditor's Office of Pierce County, State of Washington, a restrictive covenant authorized by MTCA and that complies with the form and content contained in WAC 173-340-440 for implementation of institutional controls on property located within the Site that are required to assure continued protection of human health and the environment or the integrity of the remedial action.

§ IX., para. 25.c., Consent Decree.



Attached to this letter are four Restrictive Covenants – one for each parcel you own along the Thea Foss Waterway. You are responsible for (1) inserting the property's legal description on the first page, (2) inserting the address on the second page, and (3) obtaining the information required for Attachment 1 (Legal Description of the Property). Please contact Doug Mosich at the Tacoma City Attorney's Office (253-591-5626), or Mary Henley with the City's Public Works Department (253-502-2113), for assistance in obtaining this information, as well as information related to the remedial action that occurred on your property.

After finalizing these instruments, please execute and record the restrictive covenants with the Pierce County Auditor's Office. Send proof of recording to Kelly Cole, Assistant Regional Counsel, at the above address, no later than January 15, 2007.

Thank you for your attention to this matter. If you have any questions about your obligations under the Consent Decree, or if you would like to receive an electronic version of the attached Restrictive Covenant via email, please call me at (206) 553-1506.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelly Cole", with a long horizontal flourish extending to the right.

Kelly Cole
Assistant Regional Counsel

cc: Piper Peterson Lee, EPA
Doug Mosich, City of Tacoma
Loren Dunn, Riddell Williams
Janis Snoey, Wash. AG

Enclosure – Restrictive Covenants

When Recorded, Return To:

Kelly Cole
Office of Regional Counsel
U.S. EPA, Region 10
1200 Sixth Ave. ORC-158
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

Document Title:	Restrictive Covenant
Grantor:	J. M. Martinac Shipbuilding Corporation
Grantee:	WA DEPARTMENT OF ECOLOGY
Legal Description:	
Additional Legal Description:	SEE ATTACHMENT 1 A FOR FULL LEGAL DESCRIPTION
Assessor's Tax Parcel Number:	8950001590

RESTRICTIVE COVENANT

This Restrictive Covenant is made this ____ day of _____, 200____, pursuant to RCW 43.21A.440 and RCW 70.105D.030(1)(f), (g) and (j), by J. M. Martinac Shipbuilding Corporation and its successors and assigns ("Grantor"), and the State of Washington, Department of Ecology, and its successors and assigns ("Grantee" but hereafter "Ecology") for the benefit of the United States Environmental Protection Agency, its successors and assigns, ("EPA"). The restrictions imposed by this covenant are consistent with those required by WAC 340-440(8) and (9) under the Model Toxics Control Act ("MTCA").

A portion of the property referenced above is subject to this Restrictive Covenant because Remedial Action has been undertaken on the property pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et. seq., under a Consent Decree entered on May 9, 2003, titled *United States v. Atlantic Richfield Company, et al.*, in the United States District Court for the Western District of

Washington, Civil Action No. C03-5117 RJB, ("Consent Decree"). The objective of the Remedial Action undertaken on the property is to protect human health and the environment.

The Consent Decree is part of an integrated settlement that includes two other consent decrees. One is between EPA and Puget Sound Energy, Advance Ross Sub Company and PacifiCorp ("Utilities"), and was entered by the federal District Court on May 9, 2003. The other consent decree is between EPA and the State of Washington, Department of Natural Resources, which was entered by the federal District Court on December 17, 2003.

Grantor is the fee owner of real property (hereafter "Property") that is subject to this Restrictive Covenant. The Property is the portion of Tax Parcel **8950001590** that is located at _____, Tacoma, in Pierce County, Washington. The Property is legally described in Attachment 1, which is incorporated by reference into this Restrictive Covenant, and is generally depicted by the cross-hatched area on the map attached as Attachment 2. Grantor, as holder of legal title, does hereby declare that is has authority to enter into this Restrictive Covenant.

This Restrictive Covenant is required because Remedial Action capped and/or left residual contamination in place. The purpose of this Restrictive Covenant is to reduce potential exposure of marine organisms to contaminated sediments confined by capping, and to reduce potential exposure of marine organisms to contaminated sediments left in place in the Thea Foss and Wheeler Osgood Waterways.

Grantor makes the following declarations as to limitations, restrictions, and uses on the Property. Furthermore, it is the intent of Grantor that such declarations shall constitute covenants that run with the land, as provided by law, and be binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the property (hereafter "Owner").

Section 1. The Remedial Action undertaken on the Property included a cap (i.e., placement of capping materials over contaminated sediments).

Section 2. Owner shall not conduct, or allow to be conducted any activity on the Property that may result in the release or exposure to the environment of the hazardous substances contained by the Remedial Action, or that may create a new exposure pathway, unless the proponent of the activity obtains the prior written authorization from EPA and secures all necessary local, state, and federal permits and approvals for the activity in question. Activities prohibited unless otherwise approved include, but are not limited to:

- 2.1 Any activity that alters, modifies, or removes the Remedial Action undertaken on the Property.
- 2.2 Piling removal and installation.
- 2.3 Dredging and excavation.

2.4 Harvest of shellfish embedded in aquatic lands.

2.5 Anchoring

Section 3. Any other activity on the Property that may interfere with the Remedial Action, including Operation and Maintenance activities, is prohibited without prior notice to and approval by EPA.

Section 4. Owner shall give thirty (30) days advance written notice to EPA and Ecology of Owner's intent to convey any interest in the Property. No conveyance of title, easement, lease or other interest in the Property shall be consummated by Owner without adequate and complete provision for the continued compliance with all required institutional controls, including this Restrictive Covenant.

Section 5. Owner shall notify EPA and Ecology and obtain approval from EPA before any use of the Property that is inconsistent with the terms of the Restrictive Covenant, or the Consent Decree.

Section 6. Owner shall allow authorized representatives of EPA, Ecology, the Utilities, and the City of Tacoma the right to enter the Property at reasonable times for the purpose of evaluating compliance with the Consent Decree and other required plans, including the right to undertake Operation and Maintenance activities required under the Consent Decree, which includes gathering samples on the Property, and to confirm compliance with this Restrictive Covenant.

Section 7. Owner shall restrict leases of the Property to uses and activities consistent with this Restrictive Covenant and shall notify all lessees of the restrictions on the use of the Property. Owner shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property, including conveyance of title, a lease, a license, an easement or other use authorizations.

Section 8. Within ten (10) days of the date this Restrictive Covenant is fully executed, Owner shall record this Restrictive Covenant with the Auditor's Office, Pierce County, State of Washington. Conformed copies of such recordings shall be forwarded to EPA, Region 10, Office of Regional Counsel at 1200 Sixth Avenue, ORC-158, Seattle, Washington 98101, and Department of Ecology, Toxics Cleanup Program, Southwest Regional Office, PO Box 47600, Olympia, WA 98504-7600. Owner shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property.

Section 9. If requested by EPA, the Utilities and/or the City of Tacoma, Owner shall allow, at no cost, the placement and maintenance of signs on the Property regarding prohibited activities, vessel size and speed, and Waterway navigational buoys, markers and visual aids, to the extent such activities do not unreasonably interfere with the public's use and enjoyment of the Property.

Section 10. Owner reserves the right to record an instrument that provides that this Restrictive Covenant shall no longer limit the use of the Property or be of any further force or effect. However, such an instrument may be recorded only if EPA concurs.

Section 11. Owner hereby confirms that this Restrictive Covenant is enforceable at law by EPA and Ecology.

Section 12. The parties that must be notified by the terms of this Restrictive Covenant are:

Environmental Protection Agency
Office of Environmental Cleanup
1200 Sixth Avenue, ECL-111
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

City of Tacoma
Office of City Attorney
Civil Division
747 Market Street, Room 1120
Tacoma, WA 98402-3767

Utilities – Thea Foss Waterway Cleanup
c/o Loren Dunn
Riddell Williams
1001 Fourth Ave.
Suite 4500
Seattle, WA 98154-1192

If a proposed activity is within state-owned aquatic lands, then Owner shall also notify:

State of Washington
Department of Natural Resources
Aquatic Resources Program
1111 Washington St. SE
PO Box 47027
Olympia, WA 98504-7027

This Restrictive Covenant is executed by:

[Grantor]

By: _____
Its: President

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 2006, personally appeared before me _____ to me known to be the _____ of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she/was they were authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of the said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public in and for the State of
Washington, residing at _____
My appointment expires _____

ATTACHMENT 1

[Legal Description]

ATTACHMENT 2

(Survey Depicting Area of Parcel Affected by Restrictive Covenant)

8950001601

0320041048

032

BURLINGTON NORTHERN

0320041054

0320041017

8950001590

8950001560

0320041029

8950001680

EAST 15TH STREET

EAST "D" STREET

Approximate Area of
Parcel Below Ordinary
High Water that May be
Subject to Restrictive
Covenants

Ordinary High Water



DATE	9/5/2008	SCALE	1" = 100'
DRAWN	KSB	CHECKED	MLH
DATE	UH	PROJECT NAME	
Foss Restrictive Covenants_Non_City.dwg			

CITY OF TACOMA
DEPARTMENT OF PUBLIC WORKS

Foss Restrictive Covenants

401 East 15th Street
Parcel 8950001590

SHEET NO.

SHEET 1 of 1

When Recorded, Return To:

Kelly Cole
Office of Regional Counsel
U.S. EPA, Region 10
1200 Sixth Ave. ORC-158
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

Document Title:	Restrictive Covenant
Grantor:	J. M. Martinac Shipbuilding Corporation
Grantee:	WA DEPARTMENT OF ECOLOGY
Legal Description:	
Additional Legal Description:	SEE ATTACHMENT 1 A FOR FULL LEGAL DESCRIPTION
Assessor's Tax Parcel Number:	8950001560

RESTRICTIVE COVENANT

This Restrictive Covenant is made this ____ day of _____, 200____, pursuant to RCW 43.21A.440 and RCW 70.105D.030(1)(f), (g) and (j), by J. M. Martinac Shipbuilding Corporation and its successors and assigns ("Grantor"), and the State of Washington, Department of Ecology, and its successors and assigns ("Grantee" but hereafter "Ecology") for the benefit of the United States Environmental Protection Agency, its successors and assigns, ("EPA"). The restrictions imposed by this covenant are consistent with those required by WAC 340-440(8) and (9) under the Model Toxics Control Act ("MTCA").

A portion of the property referenced above is subject to this Restrictive Covenant because Remedial Action has been undertaken on the property pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et. seq., under a Consent Decree entered on May 9, 2003, titled *United States v. Atlantic Richfield Company, et al.*, in the United States District Court for the Western District of

Washington, Civil Action No. C03-5117 RJB, ("Consent Decree"). The objective of the Remedial Action undertaken on the property is to protect human health and the environment.

The Consent Decree is part of an integrated settlement that includes two other consent decrees. One is between EPA and Puget Sound Energy, Advance Ross Sub Company and PacifiCorp ("Utilities"), and was entered by the federal District Court on May 9, 2003. The other consent decree is between EPA and the State of Washington, Department of Natural Resources, which was entered by the federal District Court on December 17, 2003.

Grantor is the fee owner of real property (hereafter "Property") that is subject to this Restrictive Covenant. The Property is the portion of Tax Parcel **8950001560** that is located at _____, Tacoma, in Pierce County, Washington. The Property is legally described in Attachment 1, which is incorporated by reference into this Restrictive Covenant, and is generally depicted by the cross-hatched area on the map attached as Attachment 2. Grantor, as holder of legal title, does hereby declare that is has authority to enter into this Restrictive Covenant.

This Restrictive Covenant is required because Remedial Action capped and/or left residual contamination in place. The purpose of this Restrictive Covenant is to reduce potential exposure of marine organisms to contaminated sediments confined by capping, and to reduce potential exposure of marine organisms to contaminated sediments left in place in the Thea Foss and Wheeler Osgood Waterways.

Grantor makes the following declarations as to limitations, restrictions, and uses on the Property. Furthermore, it is the intent of Grantor that such declarations shall constitute covenants that run with the land, as provided by law, and be binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the property (hereafter "Owner").

Section 1. The Remedial Action undertaken on the Property included a cap (i.e., placement of capping materials over contaminated sediments).

Section 2. Owner shall not conduct, or allow to be conducted any activity on the Property that may result in the release or exposure to the environment of the hazardous substances contained by the Remedial Action, or that may create a new exposure pathway, unless the proponent of the activity obtains the prior written authorization from EPA and secures all necessary local, state, and federal permits and approvals for the activity in question. Activities prohibited unless otherwise approved include, but are not limited to:

- 2.1 Any activity that alters, modifies, or removes the Remedial Action undertaken on the Property.
- 2.2 Piling removal and installation.
- 2.3 Dredging and excavation.

2.4 Harvest of shellfish embedded in aquatic lands.

2.5 Anchoring

Section 3. Any other activity on the Property that may interfere with the Remedial Action, including Operation and Maintenance activities, is prohibited without prior notice to and approval by EPA.

Section 4. Owner shall give thirty (30) days advance written notice to EPA and Ecology of Owner's intent to convey any interest in the Property. No conveyance of title, easement, lease or other interest in the Property shall be consummated by Owner without adequate and complete provision for the continued compliance with all required institutional controls, including this Restrictive Covenant.

Section 5. Owner shall notify EPA and Ecology and obtain approval from EPA before any use of the Property that is inconsistent with the terms of the Restrictive Covenant, or the Consent Decree.

Section 6. Owner shall allow authorized representatives of EPA, Ecology, the Utilities, and the City of Tacoma the right to enter the Property at reasonable times for the purpose of evaluating compliance with the Consent Decree and other required plans, including the right to undertake Operation and Maintenance activities required under the Consent Decree, which includes gathering samples on the Property, and to confirm compliance with this Restrictive Covenant.

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Section 8. Within ten (10) days of the date this Restrictive Covenant is fully executed, Owner shall record this Restrictive Covenant with the Auditor's Office, Pierce County, State of Washington. Conformed copies of such recordings shall be forwarded to EPA, Region 10, Office of Regional Counsel at 1200 Sixth Avenue, ORC-158, Seattle, Washington 98101, and Department of Ecology, Toxics Cleanup Program, Southwest Regional Office, PO Box 47600, Olympia, WA 98504-7600. Owner shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property.

Section 9. If requested by EPA, the Utilities and/or the City of Tacoma, Owner shall allow, at no cost, the placement and maintenance of signs on the Property regarding prohibited activities, vessel size and speed, and Waterway navigational buoys, markers and visual aids, to the extent such activities do not unreasonably interfere with the public's use and enjoyment of the Property.

Section 10. Owner reserves the right to record an instrument that provides that this Restrictive Covenant shall no longer limit the use of the Property or be of any further force or effect. However, such an instrument may be recorded only if EPA concurs.

Section 11. Owner hereby confirms that this Restrictive Covenant is enforceable at law by EPA and Ecology.

Section 12. The parties that must be notified by the terms of this Restrictive Covenant are:

Environmental Protection Agency
Office of Environmental Cleanup
1200 Sixth Avenue, ECL-111
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

City of Tacoma
Office of City Attorney
Civil Division
747 Market Street, Room 1120
Tacoma, WA 98402-3767

Utilities – Thea Foss Waterway Cleanup
c/o Loren Dunn
Riddell Williams
1001 Fourth Ave.
Suite 4500
Seattle, WA 98154-1192

If a proposed activity is within state-owned aquatic lands, then Owner shall also notify:

State of Washington
Department of Natural Resources
Aquatic Resources Program
1111 Washington St. SE
PO Box 47027
Olympia, WA 98504-7027

This Restrictive Covenant is executed by:

[Grantor]

By: _____
Its: President

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 2006, personally appeared before me _____ to me known to be the _____ of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she/was they were authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of the said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

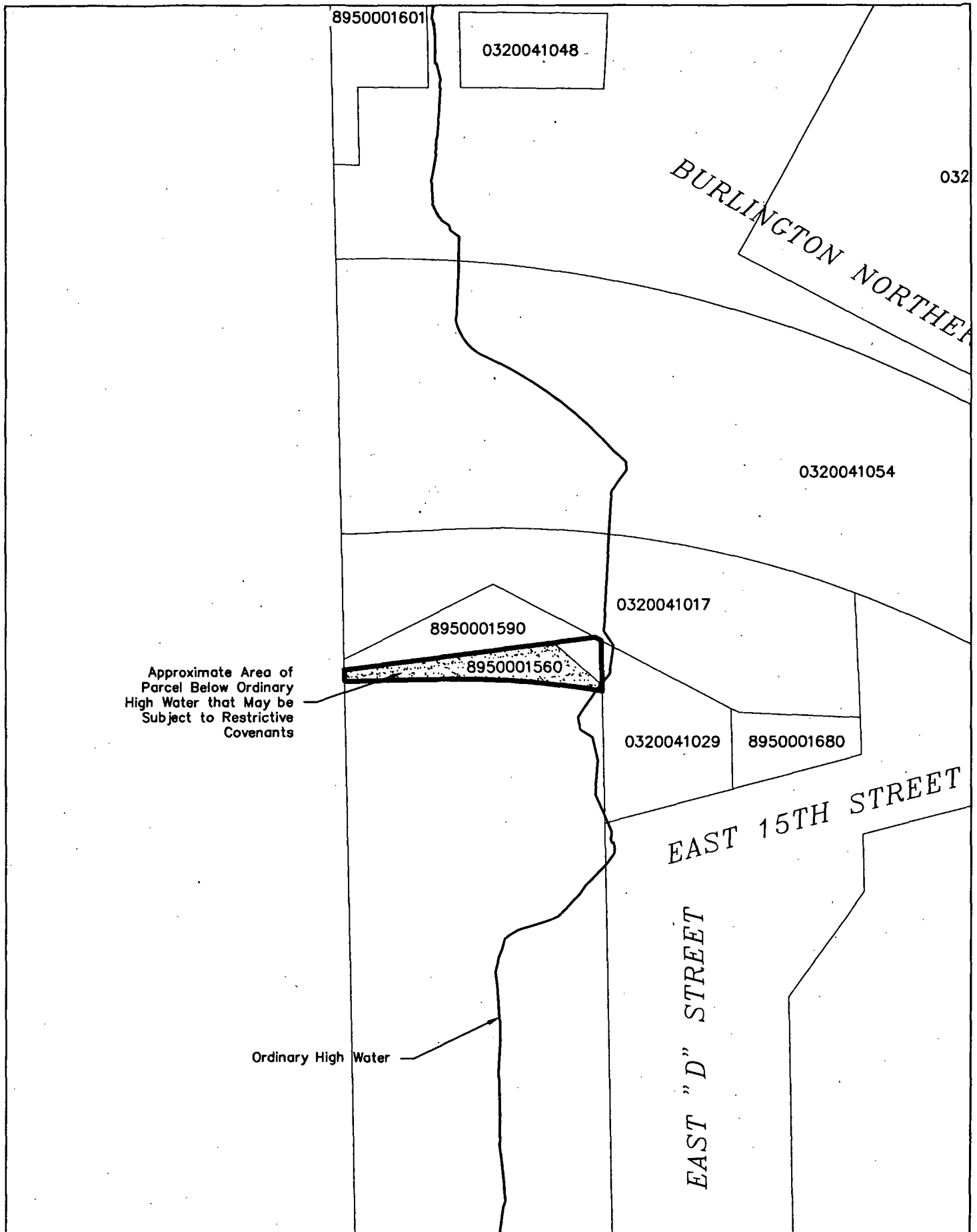
Notary Public in and for the State of
Washington, residing at _____
My appointment expires _____


ATTACHMENT 1

[Legal Description]

ATTACHMENT 2

(Survey Depicting Area of Parcel Affected by Restrictive Covenant)



	DATE 9/5/2008	SCALE 1" = 100'	<p align="center">CITY OF TACOMA DEPARTMENT OF PUBLIC WORKS</p> <p align="center">Foss Restrictive Covenants</p> <p align="center">401 East 15th Street Parcel 8950001560</p>	<p align="right">SHEET NO. 1 of 1</p>
	DRAWN KSB	CHECKED MLH		
	PROJECT NAME LIH			
	<p align="center">FossRestrictiveCovenants_Mon_City.dwg</p>			

When Recorded, Return To:

Kelly Cole
Office of Regional Counsel
U.S. EPA, Region 10
1200 Sixth Ave. ORC-158
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

Document Title:	Restrictive Covenant
Grantor:	J. M. Martinac Shipbuilding Corporation
Grantee:	WA DEPARTMENT OF ECOLOGY
Legal Description:	
Additional Legal Description:	SEE ATTACHMENT 1 A FOR FULL LEGAL DESCRIPTION
Assessor's Tax Parcel Number:	320041017

RESTRICTIVE COVENANT

This Restrictive Covenant is made this ____ day of _____, 200__, pursuant to RCW 43.21A.440 and RCW 70.105D.030(1)(f), (g) and (j), by J. M. Martinac Shipbuilding Corporation and its successors and assigns ("Grantor"), and the State of Washington, Department of Ecology, and its successors and assigns ("Grantee" but hereafter "Ecology") for the benefit of the United States Environmental Protection Agency, its successors and assigns, ("EPA"). The restrictions imposed by this covenant are consistent with those required by WAC 340-440(8) and (9) under the Model Toxics Control Act ("MTCA").

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Grantor is the fee owner of real property (hereafter "Property") that is subject to this Restrictive Covenant. The Property is the portion of Tax Parcel **320041017** that is located at _____, Tacoma, in Pierce County, Washington. The Property is legally described in Attachment 1, which is incorporated by reference into this Restrictive Covenant, and is generally depicted by the cross-hatched area on the map attached as Attachment 2. Grantor, as holder of legal title, does hereby declare that is has authority to enter into this Restrictive Covenant.

This Restrictive Covenant is required because Remedial Action capped and/or left residual contamination in place. The purpose of this Restrictive Covenant is to reduce potential exposure of marine organisms to contaminated sediments confined by capping, and to reduce potential exposure of marine organisms to contaminated sediments left in place in the Thea Foss and Wheeler Osgood Waterways.

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2.4 Harvest of shellfish embedded in aquatic lands.

2.5 Anchoring

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Environmental Protection Agency
Office of Environmental Cleanup
1200 Sixth Avenue, ECL-111
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

City of Tacoma
Office of City Attorney
Civil Division
747 Market Street, Room 1120
Tacoma, WA 98402-3767

Utilities – Thea Foss Waterway Cleanup
c/o Loren Dunn
Riddell Williams
1001 Fourth Ave.
Suite 4500
Seattle, WA 98154-1192

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State of Washington
Department of Natural Resources
Aquatic Resources Program
1111 Washington St. SE
PO Box 47027
Olympia, WA 98504-7027

This Restrictive Covenant is executed by:

[Grantor]

By: _____
Its: President

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 2006, personally appeared before me _____ to me known to be the _____ of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that ~~he/she/was~~ **they were** authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of the said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

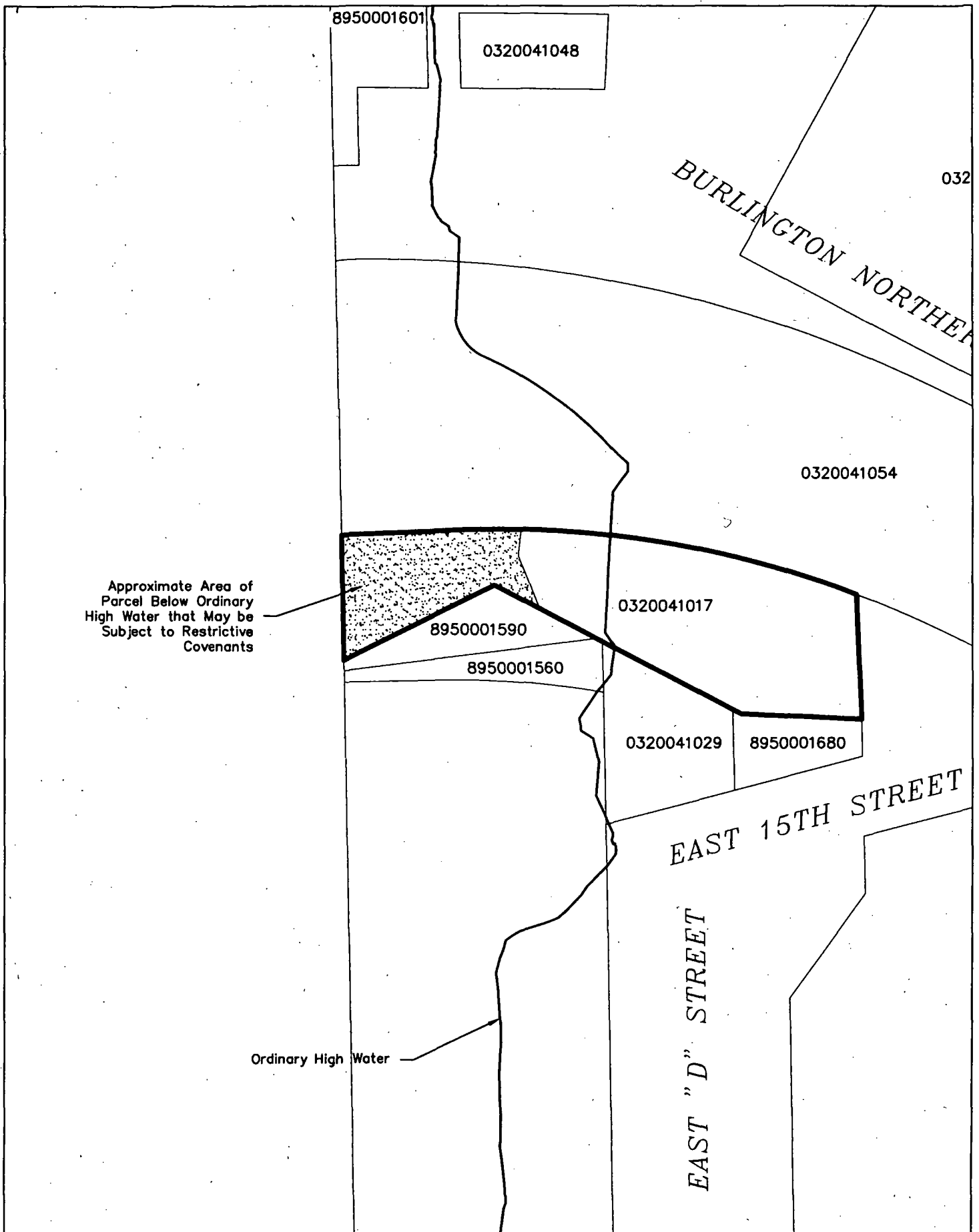
Notary Public in and for the State of
Washington, residing at _____.
My appointment expires _____.


ATTACHMENT 1

[Legal Description]

ATTACHMENT 2

(Survey Depicting Area of Parcel Affected by Restrictive Covenant)



	DATE	SCALE	<p align="center">CITY OF TACOMA DEPARTMENT OF PUBLIC WORKS</p> <p align="center">Foss Restrictive Covenants 1501 East D Street Parcel 0320041017</p>	<p align="right">SHEET NO.</p> <p align="right">SHEET 1 of 1</p>
	DRAWN	CHECKED		
	MLH	MLH		
	PROJECT NAME			
Foss Restrictive Covenants_Map_City.dwg				

When Recorded, Return To:

Kelly Cole
Office of Regional Counsel
U.S. EPA, Region 10
1200 Sixth Ave. ORC-158
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

Document Title:	Restrictive Covenant
Grantor:	J. M. Martinac Shipbuilding Corporation
Grantee:	WA DEPARTMENT OF ECOLOGY
Legal Description:	
Additional Legal Description:	SEE ATTACHMENT 1 A FOR FULL LEGAL DESCRIPTION
Assessor's Tax Parcel Number:	320041054

RESTRICTIVE COVENANT

This Restrictive Covenant is made this ____ day of _____, 200__, pursuant to RCW 43.21A.440 and RCW 70.105D.030(1)(f), (g) and (j), by J. M. Martinac Shipbuilding Corporation and its successors and assigns ("Grantor"), and the State of Washington, Department of Ecology, and its successors and assigns ("Grantee" but hereafter "Ecology") for the benefit of the United States Environmental Protection Agency, its successors and assigns, ("EPA"). The restrictions imposed by this covenant are consistent with those required by WAC 340-440(8) and (9) under the Model Toxics Control Act ("MTCA").

A portion of the property referenced above is subject to this Restrictive Covenant because Remedial Action has been undertaken on the property pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et. seq., under a Consent Decree entered on May 9, 2003, titled *United States v. Atlantic Richfield Company, et al.*, in the United States District Court for the Western District of

Washington, Civil Action No. C03-5117 RJB, ("Consent Decree"). The objective of the Remedial Action undertaken on the property is to protect human health and the environment.

The Consent Decree is part of an integrated settlement that includes two other consent decrees. One is between EPA and Puget Sound Energy, Advance Ross Sub Company and PacifiCorp ("Utilities"), and was entered by the federal District Court on May 9, 2003. The other consent decree is between EPA and the State of Washington, Department of Natural Resources, which was entered by the federal District Court on December 17, 2003.

Grantor is the fee owner of real property (hereafter "Property") that is subject to this Restrictive Covenant. The Property is the portion of Tax Parcel 320041054 that is located at _____, Tacoma, in Pierce County, Washington. The Property is legally described in Attachment 1, which is incorporated by reference into this Restrictive Covenant, and is generally depicted by the cross-hatched area on the map attached as Attachment 2. Grantor, as holder of legal title, does hereby declare that is has authority to enter into this Restrictive Covenant.

This Restrictive Covenant is required because Remedial Action capped and/or left residual contamination in place. The purpose of this Restrictive Covenant is to reduce potential exposure of marine organisms to contaminated sediments confined by capping, and to reduce potential exposure of marine organisms to contaminated sediments left in place in the Thea Foss and Wheeler Osgood Waterways.

Grantor makes the following declarations as to limitations, restrictions, and uses on the Property. Furthermore, it is the intent of Grantor that such declarations shall constitute covenants that run with the land, as provided by law, and be binding on all parties and all persons claiming under them, including all current and future owners of any portion of or interest in the property (hereafter "Owner").

Section 1. The Remedial Action undertaken on the Property included a cap (i.e., placement of capping materials over contaminated sediments).

Section 2. Owner shall not conduct, or allow to be conducted any activity on the Property that may result in the release or exposure to the environment of the hazardous substances contained by the Remedial Action, or that may create a new exposure pathway, unless the proponent of the activity obtains the prior written authorization from EPA and secures all necessary local, state, and federal permits and approvals for the activity in question. Activities prohibited unless otherwise approved include, but are not limited to:

- 2.1 Any activity that alters, modifies, or removes the Remedial Action undertaken on the Property.
- 2.2 Piling removal and installation.
- 2.3 Dredging and excavation.

2.4 Harvest of shellfish embedded in aquatic lands.

2.5 Anchoring

Section 3. Any other activity on the Property that may interfere with the Remedial Action, including Operation and Maintenance activities, is prohibited without prior notice to and approval by EPA.

Section 4. Owner shall give thirty (30) days advance written notice to EPA and Ecology of Owner's intent to convey any interest in the Property. No conveyance of title, easement, lease or other interest in the Property shall be consummated by Owner without adequate and complete provision for the continued compliance with all required institutional controls, including this Restrictive Covenant.

Section 5. Owner shall notify EPA and Ecology and obtain approval from EPA before any use of the Property that is inconsistent with the terms of the Restrictive Covenant, or the Consent Decree.

Section 6. Owner shall allow authorized representatives of EPA, Ecology, the Utilities, and the City of Tacoma the right to enter the Property at reasonable times for the purpose of evaluating compliance with the Consent Decree and other required plans, including the right to undertake Operation and Maintenance activities required under the Consent Decree, which includes gathering samples on the Property, and to confirm compliance with this Restrictive Covenant.

Section 7. Owner shall restrict leases of the Property to uses and activities consistent with this Restrictive Covenant and shall notify all lessees of the restrictions on the use of the Property. Owner shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property, including conveyance of title, a lease, a license, an easement or other use authorizations.

Section 8. Within ten (10) days of the date this Restrictive Covenant is fully executed, Owner shall record this Restrictive Covenant with the Auditor's Office, Pierce County, State of Washington. Conformed copies of such recordings shall be forwarded to EPA, Region 10, Office of Regional Counsel at 1200 Sixth Avenue, ORC-158, Seattle, Washington 98101, and Department of Ecology, Toxics Cleanup Program, Southwest Regional Office, PO Box 47600, Olympia, WA 98504-7600. Owner shall include a copy of this Restrictive Covenant in any instrument conveying any interest in any portion of the Property.

Section 9. If requested by EPA, the Utilities and/or the City of Tacoma, Owner shall allow, at no cost, the placement and maintenance of signs on the Property regarding prohibited activities, vessel size and speed, and Waterway navigational buoys, markers and visual aids, to the extent such activities do not unreasonably interfere with the public's use and enjoyment of the Property.

Section 10. Owner reserves the right to record an instrument that provides that this Restrictive Covenant shall no longer limit the use of the Property or be of any further force or effect. However, such an instrument may be recorded only if EPA concurs.

Section 11. Owner hereby confirms that this Restrictive Covenant is enforceable at law by EPA and Ecology.

Section 12. The parties that must be notified by the terms of this Restrictive Covenant are:

Environmental Protection Agency
Office of Environmental Cleanup
1200 Sixth Avenue, ECL-111
Seattle, WA 98101

State of Washington
Department of Ecology
Toxics Cleanup Program
Southwest Regional Office
PO Box 47600
Olympia, WA 98504-7600

City of Tacoma
Office of City Attorney
Civil Division
747 Market Street, Room 1120
Tacoma, WA 98402-3767

Utilities – Thea Foss Waterway Cleanup
c/o Loren Dunn
Riddell Williams
1001 Fourth Ave.
Suite 4500
Seattle, WA 98154-1192

If a proposed activity is within state-owned aquatic lands, then Owner shall also notify:

State of Washington
Department of Natural Resources
Aquatic Resources Program
1111 Washington St. SE
PO Box 47027
Olympia, WA 98504-7027

This Restrictive Covenant is executed by:

[Grantor]

By: _____
Its: President

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 2006, personally appeared before me _____ to me known to be the _____ of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that **he/she/was they were** authorized to execute said instrument for said corporation and that the seal affixed is the corporate seal of the said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

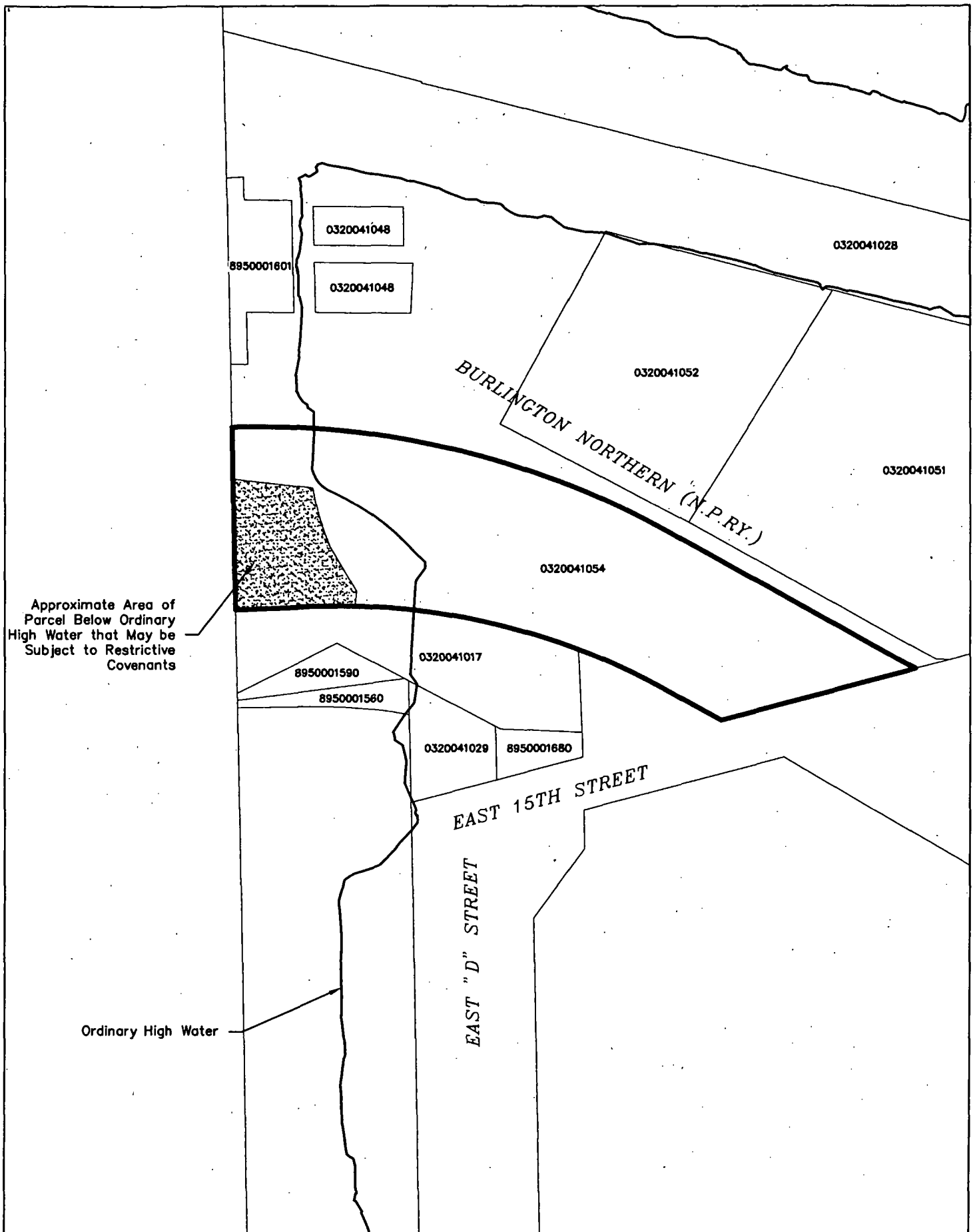
Notary Public in and for the State of
Washington, residing at _____
My appointment expires _____

ATTACHMENT 1


[Legal Description]

ATTACHMENT 2

(Survey Depicting Area of Parcel Affected by Restrictive Covenant)



Ordinary High Water

	DATE	9/5/2006	SCALE	1" = 150'	CITY OF TACOMA DEPARTMENT OF PUBLIC WORKS Foss Restrictive Covenants 401 East 15th Street Parcel 0320041054	SHEET NO. 1 of 1
	DRAWN	KSB	CHECKED	MLH		
	PROJECT NAME					
	FossRestrictiveCovenants_Hen_City.dwg					

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage

\$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

\$

Postmark
Here

Sent To

Joe Matrone Jr.

Street, Apt. No.;
or PO Box No.

401 E. 15th St.

City, State, ZIP+4

Tacoma, WA 98421

6660 0022 0000 0152 1002

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A signature upon delivery
- A record of delivery kept by the Postal Service for two years

Important Reminders:

- Certified Mail may **ONLY** be combined with First-Class Mail or Priority Mail.
- Certified Mail is *not* available for any class of international mail.
- **NO INSURANCE COVERAGE IS PROVIDED** with Certified Mail. For valuables, please consider Insured or Registered Mail.
- For an additional fee, a *Return Receipt* may be requested to provide proof of delivery. To obtain Return Receipt service, please complete and attach a Return Receipt (PS Form 3811) to the article and add applicable postage to cover the fee. Endorse mailpiece "Return Receipt Requested". To receive a fee waiver for a duplicate return receipt, a USPS postmark on your Certified Mail receipt is required.
- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "*Restricted Delivery*".
- If a postmark on the Certified Mail receipt is desired, please present the article at the post office for postmarking. If a postmark on the Certified Mail receipt is not needed, detach and affix label with postage and mail.

IMPORTANT: Save this receipt and present it when making an inquiry.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Joe Matinac, Jr.
J. M. Matinac Shipbuilding Corp
401 E. 15th St.
Tacoma, WA 98421**

1e Number (Copy from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

Sharon Alexander 12/19/06

C. Signature

Sharon Alexander

☒ Agent
☐ Addressee

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7001 2510 0003 7203 0999

811, July 1999

Domestic Return Receipt

102595-00-M-0952

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

- Sender: Please print your name, address, and ZIP+4 in this box •

U.S. Environmental Protection Agency
Region 10
Office of Regional Counsel
1200 Sixth Avenue, ORC-158
Seattle, WA 98101

K. Cole